



IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Salt Lake Field Office
2370 South 2300 West
Salt Lake City, Utah 84119

SEP 05 2000

3809
U-77761
(UT-023)

Mr. David Ryzak
Star Stone Quarries, Inc.
4040 South 300 West
Salt Lake City, Utah 84107

RECEIVED

SEP 07 2000

DIVISION OF
OIL, GAS AND MINING

Dear Mr. Ryzak:

On June 15, 2000, we received your Plan of Operations (Plan) to conduct mining and quarrying activities in Star Stone Quarries, Inc. (SSQ) Rosebud #1 and #2 placer mining claims located in the W $\frac{1}{2}$ of Section 14, T. 10 N., R. 16 W. (UMC 354975-354976). On July 14, 2000, we sent a letter to SSQ requesting information which would support SSQ's position that the building stone located within the boundaries of the subject claim was locatable and not salable.

On August 4, 2000, in a telephone conversation with Bureau of Land Management (BLM) geologist Michael Ford, you discussed the option of SSQ providing monies to the BLM, to be placed in a suspense account for the value of a set volume of building stone while a "common variety determination and/or validity examination" was being prepared by the BLM. This would enable SSQ to continue operating at the Rosebud Quarry until the mineral report was finished. On August 25, 2000, we received your letter in which you offered to establish the suspense account and to "purchase" 500 tons of building stone from the Rosebud Quarry area.

The appraised value of common variety building stone in the Salt Lake Field Office is \$9.00 per ton. In order to set up the suspense account, we request that you submit \$4,500.00 (\$9.00 X 500 tons) to the Salt Lake Field Office at your earliest convenience. These funds will be placed in a suspense account which will be held by the Bureau of Land Management (BLM) until a final determination has been made whether the quartzite building stone located within the boundaries of the Rosebud #1 and #2 placer mining claims is locatable or salable. If the results of the validity determination establish that the subject material is a common variety of building stone, the BLM will deposit these funds in the United States Treasury. If the validity examination demonstrates that the subject material has a unique property which gives it a distinct and special value as outlined in McClarty v. Secretary of Interior, 408 F. 2d. 907, 980 (9th Cir. 1969) (see our letter of July 14, 2000), the BLM will refund these monies to you, without interest. For your information, refunds from the Denver Service Center generally take four to six weeks.

The BLM will begin processing SSQ's Plan when the suspense account has been established. Pending approval of the Plan by the BLM, SSQ will be permitted to operate within the "footprint" of the existing Rosebud Quarry after the suspense account is in place.

In our letter of July 14, 2000, we requested that SSQ provide information to this office to support the locatability of the subject quartzite deposit. We understand that this information is forthcoming from SSQ.

On a separate matter, you requested that the BLM provide you with a copy of the Master Title Plat for the Cotton Thomas Basin Community Pit, located in T. 14 N., R. 17 W. We have enclosed a copy along with the Serial Register Page of the pit for your use. Please note that the community pit was established on October 1, 1998.

Thank you for your cooperation. If you have any questions, or require additional information, please feel free to contact Michael Ford of my staff at (801) 977-4360.

Sincerely,

GLENN A. CARPENTER

Glenn A. Carpenter
Field Office Manager

Enclosure

cc: D. Wayne Hedberg
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